



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

2011

For calendar year 2011 or tax year beginning , 2011, and ending , 20

Name of foundation ARGYLE FOUNDATION		A Employer identification number 74-2815647						
Number and street (or P O box number if mail is not delivered to street address) 4040 BROADWAY, SUITE 606	Room/suite	B Telephone number (see instructions) (210) 824-6765						
City or town, state, and ZIP code SAN ANTONIO, TX 78209		C If exemption application is pending, check here <input type="checkbox"/>						
G Check all that apply: <table border="0" style="width:100%"> <tr> <td><input type="checkbox"/> Initial return</td> <td><input type="checkbox"/> Initial return of a former public charity</td> </tr> <tr> <td><input type="checkbox"/> Final return</td> <td><input type="checkbox"/> Amended return</td> </tr> <tr> <td><input type="checkbox"/> Address change</td> <td><input type="checkbox"/> Name change</td> </tr> </table>		<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity	<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity							
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return							
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change							
H Check type of organization. <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>						
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 1,047,780.		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>						
J Accounting method. <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)								

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	100,299.	100,299.		ATCH 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-97,334.			
	b Gross sales price for all assets on line 6a	133,167.			
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	3,461.	3,461.		ATCH 2
	12 Total. Add lines 1 through 11	6,426.	103,760.		
	13 Compensation of officers, directors, trustees, etc.	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) ATCH 3	7,000.	3,500.		3,500.
	c Other professional fees (attach schedule)				
	17 Interest ATTACHMENT 4	14,379.	14,379.		
	18 Taxes (attach schedule) (see instructions) *	1,046.	1,046.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 6	14,046.	13,988.		58.
	24 Total operating and administrative expenses. Add lines 13 through 23	36,471.	32,913.		3,558.
25 Contributions, gifts, grants paid	103,385.			103,385.	
26 Total expenses and disbursements. Add lines 24 and 25	139,856.	32,913.	0	106,943.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-133,430.				
b Net investment income (if negative, enter -0-)		70,847.			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	6,698.	6,197.	6,197.
	2 Savings and temporary cash investments	36,554.	26,519.	26,519.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶	638.		
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) ATTCH 7	1,607,620.	1,390,359.	908,147.
	c Investments - corporate bonds (attach schedule) ATTCH 8	74,005.	169,010.	106,917.
	11 Investments - land, buildings, and equipment basis			
Less accumulated depreciation (attach schedule) ▶				
12 Investments - mortgage loans				
13 Investments - other (attach schedule)				
14 Land, buildings, and equipment basis				
Less accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	1,725,515.	1,592,085.	1,047,780.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	1,725,515.	1,592,085.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances (see instructions)	1,725,515.	1,592,085.		
31 Total liabilities and net assets/fund balances (see instructions)	1,725,515.	1,592,085.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,725,515.
2 Enter amount from Part I, line 27a	2	-133,430.
3 Other increases not included in line 2 (itemize) ▶ ATTACHMENT 9	3	
4 Add lines 1, 2, and 3	4	1,592,085.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,592,085.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	-99,286.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8			3	-32,662.	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	104,212.	1,087,588.	0.095819
2009	65,896.	845,951.	0.077896
2008	120,858.	1,373,811.	0.087973
2007	97,600.	1,943,133.	0.050228
2006	81,635.	1,814,041.	0.045002
2 Total of line 1, column (d)			2 0.356918
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.071384
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 1,145,499.
5 Multiply line 4 by line 3			5 81,770.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 708.
7 Add lines 5 and 6			7 82,478.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 106,943.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1		
Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1 708.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2
3 Add lines 1 and 2		3 708.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4 0
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5 708.
6 Credits/Payments:		
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a 221.	
b Exempt foreign organizations - tax withheld at source	6b	
c Tax paid with application for extension of time to file (Form 8868)	6c	
d Backup withholding erroneously withheld	6d	
7 Total credits and payments. Add lines 6a through 6d		7 221.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		8 8.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9 495.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input type="checkbox"/> 0 Refunded <input type="checkbox"/>		11

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?		X
If "Yes," attach a detailed description of the activities		
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		X
If "Yes," attach the statement required by General Instruction T.		
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) TX,		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	X	
Website address N/A			
14	The books are in care of LORI TIPS Telephone no 210-824-6765		
	Located at 4040 BROADWAY, SUITE 606 SAN ANTONIO, TX ZIP + 4 78209		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year 15		
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country 16	Yes	No X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? <input type="checkbox"/> 1b		
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? <input type="checkbox"/> 1c		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If "Yes," list the years 2a		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) <input type="checkbox"/> 2b		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 2c		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.) <input type="checkbox"/> 3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/> 4a		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? <input type="checkbox"/> 4b		X

Form 990-PF (2011)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

Organizations relying on a current notice regarding disaster assistance check here ☒c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ Nob Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

6b

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ Nob If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 10		0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ☐

Form 990-PF (2011)

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		▶

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See instructions.	
3 NONE	
Total. Add lines 1 through 3	▶

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,124,036.
b	Average of monthly cash balances	1b	38,907.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,162,943.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,162,943.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	17,444.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,145,499.
6	Minimum investment return. Enter 5% of line 5	6	57,275.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	57,275.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	708.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	708.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	56,567.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	56,567.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	56,567.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	106,943.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	106,943.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions).	5	708.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	106,235.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				56,567.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only				
b Total for prior years 20 09 20 08 20 07				
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007	4,689.			
c From 2008	55,741.			
d From 2009	24,760.			
e From 2010	50,991.			
f Total of lines 3a through e	136,181.			
4 Qualifying distributions for 2011 from Part XII, line 4. ► \$ 106,943.				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				56,567.
e Remaining amount distributed out of corpus	50,376.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	186,557.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	186,557.			
10 Analysis of line 9:				
a Excess from 2007	4,689.			
b Excess from 2008	55,741.			
c Excess from 2009	24,760.			
d Excess from 2010	50,991.			
e Excess from 2011	50,376.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or

4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years				(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i).					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties).					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

BOB MARBUT, OFFICER OF THE FOUNDATION

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed

ATTACHMENT 11

b The form in which applications should be submitted and information and materials they should include:

APPLICATION SHOULD INCLUDE PROOF OF STATUS UNDER I.R.C. 509(A)

c Any submission deadlines.

DECEMBER 31ST FOR CONTRIBUTIONS MADE THE FOLLOWING YEAR

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

ATTACHMENT 12

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a Paid during the year</p> <p>ATTACHMENT 13</p>				
Total			▶ 3a	103,385.
b Approved for future payment				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

▼

Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions)

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL SHORT-TERM COMMON TRUST FUND AND PARTNERSHIP, S CORPORATION, AND OTHER ESTATES OR TRUST GAIN OR LOSS					732.	
		TOTAL LONG-TERM COMMON TRUST FUND AND PARTNERSHIP, S CORPORATION, AND OTHER ESTATES OR TRUST GAIN OR LOSS					5,799.	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					672.	
39,632.		2000 COUNTRYWIDE CAP V 7% 47,432.					11/05/2010 -7,800.	09/21/2011
1,553.		194 DELTA AIR LINES 27,147.					12/28/2010 -25,594.	09/21/2011
22,358.		1000 PENN WEST PETROLEUM 33,015.					05/14/2008 -10,657.	06/20/2011
69,624.		4000 PENN WEST PETROLEUM 132,062.					05/14/2008 -62,438.	09/21/2011
TOTAL GAIN (LOSS)							<u>-99,286.</u>	

ATTACHMENT 1FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
JP MORGAN INTEREST	11,696.	11,696.
JP MORGAN DIVIDENDS	49,187.	49,187.
DIVIDENDS THROUGH PARTNERSHIP INVESTMENT	2,472.	2,472.
INTEREST THROUGH PARTNERSHIP INVESTMENT	45,402.	45,402.
LESS PURCHASED ACCRUED INTEREST	-8,458.	-8,458.
TOTAL	<u>100,299.</u>	<u>100,299.</u>

ATTACHMENT 2

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
OTHER INCOME THROUGH PARTNERSHIP	3,461.	3,461.
TOTALS	<u>3,461.</u>	<u>3,461.</u>

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	7,000.	3,500.		3,500.
TOTALS	<u>7,000.</u>	<u>3,500.</u>		<u>3,500.</u>

ATTACHMENT 4

FORM 990PF, PART I - INTEREST EXPENSE

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INVESTMENT INTEREST	14,379.	14,379.
TOTALS	<u>14,379.</u>	<u>14,379.</u>

ATTACHMENT 5

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FOREIGN TAXES	1,046.	1,046.
TOTALS	<u>1,046.</u>	<u>1,046.</u>

ATTACHMENT 6FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
OFFICE EXPENSES	116.	58.	
OTHER EXPENSES - INVESTMENT	13,930.	13,930.	58.
TOTALS	14,046.	13,988.	58.

ATTACHMENT 7FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
10,000 SHARES SCUDDER FUND	85,755.	85,755.	101,000.
20,000 SHARES KKR FINANCIAL	280,660.	298,742.	174,600.
6,201 SHARES CAPITAL WORLD	246,644.	252,428.	199,186.
12,000 SHARES HIGHLAND CREDIT	212,610.	212,610.	74,160.
11,000 SHARES CITADEL	107,423.	107,423.	
50 SHARES BANK OF AMERICA PFD	53,318.	53,318.	39,401.
8,230 SHARES BOND FUND OF AMER	100,005.	100,005.	103,292.
12,706 SHARES LORD ABBETT HY	100,005.	100,005.	94,028.
2,000 SHARES NAVIOS MARITIME	38,881.	37,410.	29,480.
2,000 SHARES COUNTRYWIDE CAP V	47,432.		
194 SHARES DELTA AIRLINES NEW	27,147.		
20,000 SHARES NEWCASTLE INVEST	142,663.	142,663.	93,000.
5,000 SHARES PENN WEST	165,077.		
TOTALS	<u>1,607,620.</u>	<u>1,390,359.</u>	<u>908,147.</u>

FORM 990PF, PART II - CORPORATE BONDS

ATTACHMENT 8

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
BALLY TOTAL FITNESS CLEAR CHANNEL COMMUNICATIONS	74,005.	74,005. 95,005.	16. 106,901.
TOTALS	<u>74,005.</u>	<u>169,010.</u>	<u>106,917.</u>

ATTACHMENT 9FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCESDESCRIPTIONAMOUNT

NONTAXABLE DISTRIBUTIONS
NET EXCISE TAX REFUND
UNCLEARED CHECK

TOTAL

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 10

TITLE AND AVERAGE HOURS PER
WEEK DEVOTED TO POSITION

NAME AND ADDRESS

BOB MARBUT
4040 BROADWAY, SUITE 606
SAN ANTONIO, TX 78209

BOARD CHAIR

0 0 0

JOANN BENNETT
4040 BROADWAY, SUITE 606
SAN ANTONIO, TX 78209

TREASURER

0 0 0

MIKE MARBUT
4040 BROADWAY, SUITE 606
SAN ANTONIO, TX 78209

BOARD MEMBER

0 0 0

GRAND TOTALS

ATTACHMENT 11

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

BOB MARBUT
4040 BROADWAY, SUITE 606
SAN ANTONIO, TX 78209
210-824-6765

ATTACHMENT 12990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

CONTRIBUTIONS GIVEN ARE LIMITED TO THE FOLLOWING AREAS: COLLEGES AND UNIVERSITIES, FUNDS TO MEDICAL RESEARCH CENTERS, AND OTHER CHARITABLE ORGANIZATIONS THAT CARRY OUT THE FOUNDATION'S PURPOSES.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 13

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SOUTHWEST FOUNDATION FOR BIOMEDICAL RESEARCH P.O. BOX 760549 SAN ANTONIO, TX 78245-0549	NONE EXEMPT	CHARITABLE	4,400.
ARTPACE, INC. 445 N. MAIN AVE. SAN ANTONIO, TX 78205	NONE EXEMPT	CHARITABLE	3,000.
ALAMO HEIGHTS SCHOOL FND 7101 BROADWAY SAN ANTONIO, TX 78209	NONE EXEMPT	CHARITABLE	2,000.
THE AP EMERGENCY RELIEF FUND 450 W. 33RD ST. NEW YORK, NY 10001	NONE EXEMPT	CHARITABLE	3,000.
CANCER THERAPY AND RESEARCH CENTER 7979 WURZBACH RD. SAN ANTONIO, TX 78229	NONE EXEMPT	CHARITABLE	1,000.
SAN ANTONIO SYMPHONY LEAGUE 130 E. TRAVIS, SUITE 550 SAN ANTONIO, TX 78205	NONE EXEMPT	CHARITABLE	4,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
BUSINESS EXECUTIVES NATIONAL SOCIETY 1717 PENNSYLVANIA AVENUE, NW STE. 350 WASHINGTON, DC 20006	NONE EXEMPT	CHARITABLE	12,000.
THE CHARITY BALL ASSOCIATION AVAILABLE ON REQUEST	NONE EXEMPT	CHARITABLE	1,750.
SAN ANTONIO HUMANE SOCIETY 4804 FREDERICKSBURG RD. SAN ANTONIO, TX 78229	NONE EXEMPT	CHARITABLE	2,500.
HARVARD BUSINESS SCHOOL FUND SOLDIERS FIELD BOSTON, MA 02163	NONE EXEMPT	CHARITABLE	10,000.
ST. EDWARD'S UNIVERSITY 3001 S. CONGRESS AVE. AUSTIN, TX 78704	NONE EXEMPT	CHARITABLE	5,000.
SOUTHWEST SCHOOL OF ARTS & CRAFTS 300 AUGUSTA SAN ANTONIO, TX 78205	NONE EXEMPT	CHARITABLE	1,150.

FORM 990FE, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
GRIDIRON HEROES P. O. BOX 507 SCHERTZ, TX 78154	NONE EXEMPT	CHARITABLE	600.
UT HEALTH SCIENCE CENTER 7703 FLOYD CURL DR. SAN ANTONIO, TX 78229	NONE EXEMPT	CHARITABLE	3,500.
SAN ANTONIO CAN HIGH SCHOOL 1807 CENTENNIAL SAN ANTONIO, TX 78211	NONE EXEMPT	CHARITABLE	1,500.
TEMPLE BETHEL AVAILABLE UPON REQUEST	NONE EXEMPT	CHARITABLE	1,950.
MARVIN & ELLIE SELIG FUND AT UNIVERSITY OF TEXAS 1 UNIVERSITY STATION AUSTIN, TX 78712	NONE EXEMPT	CHARITABLE	25.
JACK PAUL LEON SCHOLARSHIP FUND AT ST MARY'S UNIV ONE CAMINO SANTA MARIA SAN ANTONIO, TX 78228	NONE EXEMPT	CHARITABLE	100.

FORM 990FE, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
RESPIRE CARE 605 BELKNAP PL SAN ANTONIO, TX 78212	NONE EXEMPT		CHARITABLE	1,000.
MD ANDERSON CANCER CENTER 1515 HOLCOMBE BLVD HOUSTON, TX 77030	NONE EXEMPT		CHARITABLE	350.
GEORGIA TECH FOUNDATION INC 760 SPRING STREET NW, SUITE 400 ATLANTA, GA 30308	NONE EXEMPT		CHARITABLE	2,000.
BEIT T'SHUVAN 8831 VENICE BLVD LOS ANGELES, CA 90034	NONE EXEMPT		CHARITABLE	350.
PALEY CENTER FOR MEDIA 25 WEST 52ND STREET NEW YORK, NY 10019	NONE EXEMPT		CHARITABLE	3,390.
VETS WITH A MISSION 1307 CALDWELL STREET, 3RD FLOOR NEWBERRY, SC 29108	NONE EXEMPT		CHARITABLE	350.

FORM 990FF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
FAMILY VIOLENCE & PREVENTION CENTER 2617 NORTH MAIN AVE SAN ANTONIO, TX 78212	NONE EXEMPT		CHARITABLE	750.
UNITED WAY P. O. BOX 898 SAN ANTONIO, TX 78293	NONE EXEMPT		CHARITABLE	11,000.
ARABIAN HORSEMENS DISTRESS FUND 236 HARRY SANFORD ROAD BRIDGEWATER, CT 06752	NONE EXEMPT		CHARITABLE	2,000.
SALZBURG GLOBAL SEMINAR 1730 PENNSYLVANIA AVE., SUITE 250 WASHINGTON, DC 20036	NONE EXEMPT		CHARITABLE	500.
COLLEGIATE DIRECTORS AVAILABLE UPON REQUEST	NONE EXEMPT		CHARITABLE	500.
RIVERWALK JAZZ 12 WESTERN AVE. PETALUMA, CA 94952	NONE EXEMPT		CHARITABLE	500.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ST. JUDE'S CHILDREN'S RESEARCH 501 ST. JUDE PLACE MEMPHIS, TN 38105	NONE EXEMPT	CHARITABLE	100.
METROPOLITAN CLUB FOUNDATION AVAILABLE UPON REQUEST	NONE EXEMPT	CHARITABLE	220.
MCNAY ART MUSEUM 6000 N. NEW BRAUNFELS AVE. SAN ANTONIO, TX 78209	NONE EXEMPT	CHARITABLE	1,000
INVESTIGATIVE PROJECT ON TERRORISM FOUNDATION 5505 CONNECTICUT AVE. NW #341 WASHINGTON, DC 20015	NONE EXEMPT	CHARITABLE	1,000.
DAVID HOROWITZ FREEDOM CENTER P. O. BOX 55089 SHERMAN OAKS, CA 91499	NONE EXEMPT	CHARITABLE	5,000.
MA'ASEN SCHOLARSHIP FUND AVAILABLE UPON REQUEST	NONE EXEMPT	CHARITABLE	100.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
OPERATION COMFORT 4900 BROADWAY, SUITE 100 SAN ANTONIO, TX 78209	NONE EXEMPT	CHARITABLE	2,000.
REY FEO SCHOLARSHIP INC. 11514 JONES MALTSBERGER RD. SAN ANTONIO, TX 78216	NONE EXEMPT	CHARITABLE	3,000.
FOUNDATION FOR DEFENSE OF DEMOCRACIES AVAILABLE UPON REQUEST	NONE EXEMPT	CHARITABLE	2,000.
THE HUDSON INSTITUTE AVAILABLE UPON REQUEST	NONE EXEMPT	CHARITABLE	8,550.
MARCELA MANUBENS AVAILABLE UPON REQUEST	NONE EXEMPT	CHARITABLE	250.
TOTAL CONTRIBUTIONS PAID			<u>103,385.</u>

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for
Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2011

Name of estate or trust

ARGYLE FOUNDATION

Employer identification number

74-2815647

Note: Form 5227 filers need to complete only Parts I and II.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	-33,394.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	732.
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ►	5	-32,662.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-73,095.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	5,799.
9 Capital gain distributions	9	672.
10 Gain from Form 4797, Part I	10	1,952.
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ►	12	-64,672.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2011

Part III Summary of Parts I and II**Caution: Read the instructions before completing this part.**

		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13		-32,662.
14	Net long-term gain or (loss):			
a	Total for year	14a		-64,672.
b	Unrecaptured section 1250 gain (see line 18 of the wrksh.)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a	15		-97,334.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of: a The loss on line 15, column (3) or b \$3,000	16	(3,000)
-----------	--	-----------	-----------

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:

- Either line 14b, col (2) or line 14c, col (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0-	21	
22	Subtract line 21 from line 20. If zero or less, enter -0-	22	
23	Subtract line 22 from line 17. If zero or less, enter -0-	23	
24	Enter the smaller of the amount on line 17 or \$2,300	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23	25	
26	Subtract line 25 from line 24	26	
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (.15)	30	
31	Figure the tax on the amount on line 23. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31	
32	Add lines 30 and 31	32	
33	Figure the tax on the amount on line 17. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33	
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34	

Schedule D (Form 1041) 2011

**Continuation Sheet for Schedule D
(Form 1041)**

OMB No 1545-0092

2011

► See instructions for Schedule D (Form 1041).

▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

Name of estate or trust

ARGYLE FOUNDATION

Employer identification number

74-2815647

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less[illegible]

1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b -33,394.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2011

Employer identification number

[illegible]

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b	-73,095.
--	-----------------

Schedule D-1 (Form 1041) 2011

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

OMB No 1545-0184

2011

Attachment
Sequence No **27**

▶ Attach to your tax return. ▶ See separate instructions.

Name(s) shown on return

Identifying number

ARGYLE FOUNDATION

74-2815647

1 Enter the gross proceeds from sales or exchanges reported to you for 2011 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions).

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
	ATTACHMENT 2						1,952.
3	Gain, if any, from Form 4684, line 39						3
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37						4
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824						5
6	Gain, if any, from line 32, from other than casualty or theft						6
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows						7 1,952.
Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.							
Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.							
8	Nonrecaptured net section 1231 losses from prior years (see instructions)						8
9	Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)						9

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11	Loss, if any, from line 7					11 ()
12	Gain, if any, from line 7 or amount from line 8, if applicable					12
13	Gain, if any, from line 31					13
14	Net gain or (loss) from Form 4684, lines 31 and 38a					14
15	Ordinary gain from installment sales from Form 6252, line 25 or 36					15
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824					16
17	Combine lines 10 through 16					17
18	For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:					
	a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions.					18a
	b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14.					18b

For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2011)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A		
B		
C		
D		

These columns relate to the properties on lines 19A through 19D. ▶	Property A	Property B	Property C	Property D
20 Gross sales price (Note: See line 1 before completing) 20				
21 Cost or other basis plus expense of sale 21				
22 Depreciation (or depletion) allowed or allowable 22				
23 Adjusted basis Subtract line 22 from line 21 23				
24 Total gain Subtract line 23 from line 20 24				
25 If section 1245 property:				
a Depreciation allowed or allowable from line 22 25a				
b Enter the smaller of line 24 or 25a 25b				
26 If section 1250 property. If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291				
a Additional depreciation after 1975 (see instructions) 26a				
b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions) 26b				
c Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e 26c				
d Additional depreciation after 1969 and before 1976 26d				
e Enter the smaller of line 26c or 26d 26e				
f Section 291 amount (corporations only) 26f				
g Add lines 26b, 26e, and 26f 26g				
27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership)				
a Soil, water, and land clearing expenses 27a				
b Line 27a multiplied by applicable percentage (see instructions) 27b				
c Enter the smaller of line 24 or 27b 27c				
28 If section 1254 property:				
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions) 28a				
b Enter the smaller of line 24 or 28a 28b				
29 If section 1255 property:				
a Applicable percentage of payments excluded from income under section 126 (see instructions) 29a				
b Enter the smaller of line 24 or 29a (see instructions) 29b				

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties Add property columns A through D, line 24	30	
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b Enter here and on line 13	31	
32 Subtract line 31 from line 30 Enter the portion from casualty or theft on Form 4684, line 33 Enter the portion from other than casualty or theft on Form 4797, line 6	32	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years	33	
34 Recomputed depreciation (see instructions)	34	
35 Recapture amount Subtract line 34 from line 33 See the instructions for where to report	35	

Form 4797 (2011)

ATTACHMENT 2

[illegible]